



April 27, 2023

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Office of International Affairs, Trade and Commerce  
NOAA Fisheries, US Department of Commerce  
1315 East-West Highway (F/IS5)  
Silver Spring, MD 20910

**Comment on IRFA/RIR for Proposed Rule for Revisions to the U.S. Seafood Import Monitoring Program (RIN 0648-BK85)**

Dear Ms. Confair:

We submit this letter in regard to the National Marine Fisheries Service (NMFS) Proposed Rule for Revisions to the U.S. Seafood Import Monitoring Program (SIMP), with our thanks for the extension of the public comment period. We requested 120 days to thoroughly review the supplementary Regulatory Impact Review (RIR) and Initial Regulatory Flexibility Analysis, but in the 30-day extension granted we successfully designed, conducted and analyzed an industry-wide survey on the cost of SIMP implementation that received over 40 responses from a broad range of US importers and customs brokers that process from under 10 to 500+ SIMP imports per year. Our research found that while some costs and time estimates are likely accurate, more research is needed and the time burden of SIMP entry filing should be calculated on a per-harvest event basis. Additionally, NMFS must take action as needed to clarify and correct the structure of the Automatic Commercial Environment (ACE) message set to accurately associate each harvest event with a fishing vessel or aquaculture facility.

An accurate SIMP cost estimate should encourage NMFS to reprioritize its resources toward improvements that increase the efficacy of SIMP while decreasing the burden of compliance on industry. We believe that accurate digitization of first-mile supply chain data is key to both the success of this program and to countering the trade of illegal seafood globally. Without searchable, structured data and affordable screening tools industry cannot reasonably be expected to keep illegally harvested seafood out of trade on its own, and government cannot readily distinguish intentional fraud from benign mistakes in entry filing data. Goldfish has solved both of these problems with a streamlined dynamic workflow covering entry filing requirements for six US seafood trade monitoring programs (including SIMP) that saves time, corrects common benign mistakes, and flags issues and inconsistencies concerning vessels, fisheries, fishing areas and import restrictions.

Both NMFS and the seafood industry have learned a great deal regarding the cost and efficacy of SIMP in the seven years since the program was finalized. The following recommendations are discussed below:

- 1. Revise entry filing time estimate from 18 minutes total to 20 minutes per harvest event.**
- 2. Conduct an industry survey to more thoroughly assess the cost of SIMP.**
- 3. Correct ACE to associate every harvest event with a fishing vessel or farm.**

## 1. Revise entry filing time estimate from 18 minutes total to 20 minutes per harvest event.

Our industry survey (attached for reference) reverse-engineered Table 4 of the RIR into a questionnaire, offering responders an opportunity to share open text comments. We discovered that three distinct activities contribute to submission of a SIMP entry filing:

1. Digitization – the transfer of supply chain records data containing the SIMP message set from PDF, scanned or paper records into a digital format;
2. due diligence - verification of data and records); and
3. entry filing - submission of the SIMP PGA message set to ACE.

In total, these activities require 20-30 minutes *per harvest event* to complete. Some brokers complete all three of these steps themselves, while others do not. Those completing fewer of these steps utilize tools to expedite digitization and ACE filing such as custom forms, spreadsheets, and SIMP model catch certificates. However, this streamlining does not eliminate the digitization or due diligence burden, it only shifts to an upstream actor in the supply chain. Brokers able to meet NOAA's current estimate of 20 minutes often noted that this was only possible due to streamlining of data entry using the tools noted above. If not borne by the broker, most of this time burden is likely borne by the US importer. In some cases, portions may be borne by an overseas party, but given the International Fishery Trade Permit Holder's significant responsibilities in this space an assumption that these costs are wholly borne by US entities is appropriate.

In order to produce an accurate burden assessment, NOAA will need to disclose the number of harvest events contributing both on average and in aggregate to SIMP imports. This information is readily available to NMFS by querying the hundreds of thousands of SIMP entry filings in its records. We asked a few brokers to estimate the number of harvest events they typically observe per entry filing and heard figures ranging from 24 to 75. The table below estimates the revised cost of entry filing based on 15, 30 and 45 harvest events per import for the number of filings estimated for the proposed species.

Number of Harvest Events Per Import	Filing cost for 42,040 entries at \$34.88 hourly wage
15	\$ 7,331,776.00
30	\$ 14,663,552.00
45	\$ 21,995,328.00

The final RIR should revise the cost of SIMP entry filing as a per-harvest burden estimate, informed by the number of harvest events expected for SIMP imports.

## 2. Conduct an industry survey to more thoroughly assess the cost of SIMP.

Our survey results generally support NMFS proposed hourly wage and technology investment costs, but these results were limited by time frame given to review the RIR and warrant further exploration. We did not receive a statistically significant number of responses from importers regarding the cost of SIMP audits and therefore are not proposing an estimate for this figure, but based on experience working with industry we believe 30 minutes is unrealistically low. One survey respondent advised that the cost of audit compliance can range from \$50,000 - \$100,000 per year.

We strongly encourage NMFS to conduct its own survey to better ascertain these and other burdens, some of which were noted by survey respondents as annual costs not accounted for in the RIR:

- Training employees
- Educating importers and foreign suppliers
- System maintenance upgrades
- Broker support for audit

### **3. Correct ACE to associate every harvest event with a fishing vessel or farm.**

Feedback from our industry survey highlighted a critical discrepancy between the requirements of SIMP as written in regulation and the implementation of those requirements in practice. There is a persistent issue with SIMP entry filing concerning associating harvest events to vessels and aquaculture facilities. Presently an ACE filer is required to enter vessel information and harvest information, however filers are not required to make a definitive association between each harvest event to a specific vessel or farm to receive a 'may proceed' and complete entry filing. As a result, brokers correctly following NMFS instructions for the SIMP message set may leave out these critical associations, which prevents the effective application of screening and targeting that CBP, NMFS, or other partner agencies may wish to conduct and confuses the auditing process. This should be corrected immediately and articulated in the forthcoming revisions to NMFS ACE guidance documents as referenced in the proposed rule.

While an accurate account of the cost of SIMP is important, it is not a relevant factor in determining the program's appropriate scope with respect to species. Numerous government reports affirm that the economic, environmental and societal benefits of deterring illegally harvested seafood from the US market far outweigh the cost of SIMP at any size. It is the most cost-effective and surgical tool the US has to protect our domestic industry and consumers from illegal seafood; which is why after seven years the program remains a consistent focus of Congress, advocates and industry alike. Although the benefits are clear, stakeholders and regulators can agree that the full potential of SIMP has not yet been realized. We would like to see NMFS modernize its approach by refocusing resources away from overburdening the well-intentioned industry with randomly selected audits and toward implementing ACE improvements and analytics tools such as Goldfish that will allow the government to target potential bad actors for audit and inspection on an as-needed basis. There is a path to effective and efficient deterrence of illegal seafood imports to the US, and it is our shared goal to make that vision a reality.

Thank you for your consideration of our feedback. We would welcome the opportunity to further discuss Goldfish as well as the in-depth findings of our industry cost survey.

Sincerely,



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CEO  
Goldfish Inc.

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# Seafood Import Monitoring Program Industry Cost Survey

Hello US seafood importers, brokers and service providers!

NOAA is asking for feedback on its [proposed expansion](#) of the Seafood Import Monitoring Program (SIMP). The expansion is justified, in part, by estimates that the seafood industry spends little time and money on SIMP. We at [Goldfish](#), a compliance software provider, developed this industry survey to help inform a more accurate estimate, because better understanding the cost of SIMP expansion could encourage the government to consider more streamlined processes. [Learn more](#).

The survey takes less than 5 minutes to complete. You will receive a copy of your responses immediately, and the final analysis when it is submitted to NOAA on April 27. [This survey will close on Friday, April 21, 2023.](#)

Thanks for your engagement, and to [NCBFAA](#) for partnering with us in this effort!  
Questions or feedback? [Email us](#)

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\* Indicates required question

1. **Company Name** \*

*For internal use only. Identifying information (name, email) will not be shared with NOAA.*

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2. **Company Role** (select one): \*

*Mark only one oval.*

- ☐ US Seafood Importer      *Skip to question 10*
- ☐ US Customs Broker      *Skip to question 4*
- ☐ Service Provider (tech, consulting, etc.)
- ☐ None of these

### 3. Trade Association Membership

*We will aggregate member responses and provide them to your trade association (without identifying information) as a reference.*

*Check all that apply.*

☐ National Customs Brokers and Forwarders Association of America (NCBFAA)

☐ Other: \_\_\_\_\_

### Customs Brokers

*These questions aim to capture the total cost of SIMP compliance for US customs brokers.*

4. In 2022, roughly how many imports did your company support that required submission of a [SIMP message set](#)?

*Mark only one oval.*

☐ Less than 10

☐ 10-100

☐ 100-500

☐ 500+

☐ I don't know

☐ Other: \_\_\_\_\_

## 5. ENTRY FILING

How many minutes per import do you typically spend compiling and reporting SIMP requirements (e.g. collecting information, submitting to ACE, working with the importer)? Keep in mind that a single import can include one or many individual fishing events.

*NOAA's estimate is 20 minutes.*

*Mark only one oval.*

- ☐ 20 minutes or less (NOAA's estimate is accurate)
- ☐ 1 hour
- ☐ 4 hours
- ☐ 8 hours
- ☐ Other: \_\_\_\_\_

## 6. PROGRAM SETUP

How much does it cost your company (in time and/or payment to a software vendor) to add a new PGA program like SIMP?

*NOAA's estimate is \$3,000, paid by the US importer.*

*Mark only one oval.*

- ☐ \$3,000 or less (NOAA's estimate is accurate)
- ☐ Other: \_\_\_\_\_

**7. MAINTENANCE**

In a typical year, how much time or money does your company spend on upkeep of SIMP PGA program requirements (e.g. training staff, or paying software vendors to add tariff codes or modify message set requirements)?

*NOAA's estimate is \$0.*

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**8. HOURLY WAGE**

What is a realistic hourly wage for someone performing SIMP entry filing in your organization?

*NOAA's estimate is \$34.88/hour.*

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**9. OTHER COSTS**

Please identify any other costs or time burdens with SIMP compliance not covered in the questions above, such as support for SIMP audits and training. Be sure to include:

1. Type of burden/cost
2. Number of hours spent on this per year
3. Any financial cost, and frequency (e.g. annual, one time)

*Costs without an associated time burden or dollar figure cannot be incorporated into NOAA's estimates, so please be as specific as possible.*

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## Importers

*These questions attempt to capture the total cost of SIMP compliance for US seafood importers.*

10. In 2022, roughly how many US imports did your company manage/support that required SIMP reporting?

*Mark only one oval.*

- ☐ Less than 10
- ☐ 10-100
- ☐ 100-500
- ☐ 500+
- ☐ I don't know

11. **CUSTOMS IMPORT FILING**

How many minutes, per import, does your company typically spend compiling and reporting SIMP requirements (e.g.: collecting records, checking information, working with a customs broker)?

*NOAA's estimate is 20 minutes.*

*Mark only one oval.*

- ☐ 20 minutes or less (NOAA's estimate is correct)
- ☐ 1 hour
- ☐ 4 hours
- ☐ 8 hours
- ☐ Other: \_\_\_\_\_



**12. RECORDKEEPING**

How many minutes per import do you typically spend on SIMP recordkeeping (e.g.: reviewing and organizing chain of custody records)? Keep in mind that these documents must be maintained for several years.

*NOAA's estimate is 18 minutes.*

*Mark only one oval.*

- ☐ 18 minutes or less (NOAA's estimate is accurate)
- ☐ Other: \_\_\_\_\_

**13. SIMP AUDITS**

If your company has experience with SIMP audits, how much time does it take to compile records, converse with NOAA, etc. to complete the audit from start to finish?

*NOAA's estimate is 30 minutes.*

*Mark only one oval.*

- ☐ 30 minutes or less (NOAA's estimate is accurate)
- ☐ 4 hours
- ☐ 8 hours
- ☐ 16 hours
- ☐ Other: \_\_\_\_\_

**14. INITIAL SETUP**

How much time (in hours or days) and/or money did your company spend coming into compliance with SIMP when the program was established (e.g. broker setup costs, traceability/software investments, records management)?

*NOAA's estimate is \$3,000.*

*Mark only one oval.*

☐ \$3,000 or less (NOAA's estimate is accurate)

☐ Other: \_\_\_\_\_

**15. HOURLY WAGE**

What is a realistic hourly wage for someone performing SIMP compliance work in your organization?

*NOAA's estimate is \$34.88/hour.*

\_\_\_\_\_

**16. OTHER COSTS**

Please identify any other costs or time burdens with SIMP compliance not covered in the questions above. Be sure to include:

1. Type of burden/cost
2. Number of hours spent on this per year
3. Any financial cost, and frequency (e.g. annual, one time)

*Costs without an associated time burden or dollar figure cannot be incorporated into NOAA's estimates, so please be as specific as possible.*

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**Service Providers**

*Complete this section if you are a US-based company providing SIMP compliance support (e.g. data management, consulting) to US companies, estimating costs as best you can. NOAA does not include costs borne by foreign entities.*

**17. Sector (select one) \***

*Mark only one oval.*

- ☐ ACE Software Vendor
- ☐ Other Software Provider
- ☐ Auditor
- ☐ Other: \_\_\_\_\_

**18. SOFTWARE - INITIAL SETUP**

How much time or money did it cost your company to add data/other requirements for SIMP?

*NOAA's estimate is \$3,000, paid by the US importer.*

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**19. SOFTWARE - ANNUAL MAINTENANCE**

How much time or money does it take for your company to maintain or amend existing program requirements for SIMP (e.g. adding HTS codes or requirements)?

*NOAA's estimate is \$0.*

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**20. HOURLY WAGE**

What is a realistic hourly wage for someone performing SIMP entry filing in your organization?

*NOAA's estimate is \$34.88/hour.*

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**21. OTHER COSTS**

Please identify any other costs or time burdens with SIMP compliance not covered in the questions above. Be sure to include:

1. Type of burden/cost
2. Number of hours spent on this per year
3. Any financial cost, and frequency (e.g. annual, one time)

*Costs without an associated time burden or dollar figure cannot be incorporated into NOAA's estimates, so please be as specific as possible.*

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